

Memorandum

Date: June 10, 2002

Telephone: ATSS (916) 653-0062

To: Robert A. Laurie, Presiding Member
Arthur H. Rosenfeld, Associate Member

File: s/tesla/status report 2

From: California Energy Commission -
1516 Ninth Street
Sacramento, CA 95814-5512

Jack W. Caswell
Energy Commission Project Manager

Subject: **TESLA POWER PROJECT (01-AFC-21) STATUS REPORT #2**

Energy Commission staff and Midway Power LLC, will conduct a 2nd. Data Response workshop for the Tesla Power Project (TPP) on June 13, 2002. Representatives of the applicant, agencies, concerned members of the public, and interveners have been notified. The discussions will include air quality, biological resources, land use, and water resources, alternatives, cultural resources, and transmission system engineering. The applicant believes that they will provide the necessary information at the workshop in order for staff to publish the PSA.

ISSUES UNDER REVIEW

Many of the issues identified in the 1st Status Report on April 8, 2002 continue to be unresolved. Please review the previous status report for the details on the issues below.

AIR QUALITY

1. The applicant does not have a complete package of emission reduction credits (ERC) ready to be evaluated.
2. The applicant has not provided sufficient evidence that the proposed PM₁₀ and PM₁₀ precursor mitigation will be effective in reducing project impacts, especially in the San Joaquin Valley.
3. The Preliminary Determination of Compliance (PDOC) has not been provided and no new date for the submittal of this document has been provided.

BIOLOGICAL RESOURCES

1. Applicant has not provided a complete Biological Assessment (BA) to the USF&WS.
2. No mitigation plan for night lighting to minimize adverse impacts to nocturnal animals (kit fox) has been provided.
3. An outline for a Worker Environmental Awareness Plan has not been submitted.
4. DFG and USF&WS have concerns with kit fox habitat within the project boundaries.

LAND USE

The applicant has not provided evidence that the project site will be granted a recession from the Williamson Act Contract.

TRANSMISSION SYSTEM ENGINEERING

A complete facilities study and comments from the ISO have not been provided.

WATER RESOURCES

Staff is evaluating water supply alternatives and will provide a staff analysis of the alternatives in the PSA, (titled Water Supply and Cooling Alternatives).

SUPPLEMENTAL FILING

The applicant is gathering additional information for air quality, biological resources, land use, and water resources in response earlier data requests, and intends to provide that information prior to the Final Staff Assessment. This information will be docketed as supplemental data responses.

FUTURE DATA REQUESTS AND WORKSHOPS

Staff plans to publish the Preliminary Staff Assessment (PSA) by late June or early July. The workshop will held on June 13, 2002, will provide an opportunity to discuss the applicant's 2nd round of data responses and discuss dates for the actual release of the PSA. Staff anticipates a 3rd set of Data Requests and Data Response workshops will occur in late July or early August.

cc: Telsa Power Project Proof of Service list